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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/833,254	04/11/2001	Jonathan R. Javors	7499/82534 US	3714
24628	7590	03/10/2006	EXAMINER	
WELSH & KATZ, LTD 120 S RIVERSIDE PLAZA 22ND FLOOR CHICAGO, IL 60606			GOTTSCHALK, MARTIN A	
			ART UNIT	PAPER NUMBER
			3626	

DATE MAILED: 03/10/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/833,254	JAVORS, JONATHAN R.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Martin A. Gottschalk	3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on 10 February 2006.

2a) This action is FINAL. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-15 is/are pending in the application.

4a) Of the above claim(s) 11-15 is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-10 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some \* c) None of:

- Certified copies of the priority documents have been received.
- Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
- Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.

4) Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.

5) Notice of Informal Patent Application (PTO-152)

6) Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Restriction/Election***

1. This action is in response to the communication of 02/10/2006. Applicant has elected claims 1-10 without traverse. Claims 11-15 are withdrawn.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

3. Claims 1 and 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig (Pat# 6,735,569, hereinafter Wizig) in view of Deavers (US Pat# 6,044,352, hereinafter Deavers).

A. As per claim 1, Wizig discloses method for benefits administration for a benefit plan enrollee comprising:

a) providing a benefit plan for a benefit year comprising

a Health Care Account (Wizig: col 13, section entitled "Healthcare Services Panel Selection Process", see for example col 14, Ins 38-64; Fig 33)

and

an Umbrella Account (Wizig: col 15, Ins 37-46; Fig 33);

b) collecting premiums for deposit into said benefit plan to form a funded Health Care Account and a funded Umbrella Account (Wizig: Fig 3C, item 370; col 11, Ins 50-67; col 24, Ins 62-67, i.e. the Examiner considers a health services plan payment from a bank account to be a form of premium payment; col 20, Ins 9-16, note that a provider can provide services on a "Pre-Paid" basis);

c) processing claims made by a benefit plan beneficiary to form processed claims (Wizig: col 4, Ins 4-12; col 6, Ins 31-34, i.e. the Examiner considers

“...healthcare services providers...paid accordingly for their services...” to represent a form of processing claims by a beneficiary.);

d) disbursing funds from said funded Health Care Account or said funded Umbrella Account to pay said processed claims (Wizig: col 4, Ins 4-12; col 6, Ins 31-34).

Wizig fails to disclose

e) distributing any funds remaining in said funded Health Care Account or funded Umbrella Account at the end of the benefit year.

However, this feature is well known in the art as evidenced by the teachings of Deavers, who teaches

e) distributing any funds remaining in said funded Health Care Account or funded Umbrella Account at the end of the benefit year (Deavers: col 1, In 62 to col 2, In 2, reads on “...balance available...for savings...”; col 3, Ins 51-54, note that the selected vehicle can be taxable or tax-free. A taxable vehicle receiving income would have the income distributed.).

It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings of Deavers within the method of Wizig with the motivation of providing an efficient and economical way of establishing a medical savings account (Deavers: col 1, Ins 11-36), i.e. a type of umbrella account.

B. As per claim 7, Wizig discloses the method of claim 1 wherein

said disbursing of funds is to a health care service provider (Wizig: col 4, Ins 4 -12; col 6, Ins 31-34).

4. Claims 2 and 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig in view of Deavers as applied to claim 1 above, and further in view of Spears (PG Pub# 2002/0128879, hereinafter Spears).

A. As per claims 2 and 10, Wizig fails to disclose the features recited by these claims, however, these features are well known in the art as evidenced by the teachings of Spears who discloses the method of claim 1 wherein said

(claim 2) disbursing of funds is first done from said funded Health Care Account until it is depleted, then from said funded Umbrella Account (Spears: [0160]).

(claim 10) distributing comprises using a portion of funds remaining in said Umbrella Account funds to provide prevention and early detection services (Spears: [0160], the Examiner considers funds in a medical savings account to be a type of funds for prevention and early detection services).

It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings of Spears within the method of Wizig with the motivation of providing better customer service to users (Spears: [0044]) and to extend Wizig's theme of benefits package customization for consumers (Spear: [0045]).

5. Claims 3-5, 8, and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig in view of Deavers as applied to claim 1 above, and further in view of Brophy et al (US Pat# 5,429,506, hereinafter Brophy).

A. As per claim 3, Brophy discloses the method of claim 1 wherein said distributing comprises

paying any funds remaining in said funded Health Care Account or said funded Umbrella Account directly to the benefit plan enrollee (Brophy: col 4, lns 16-18; see also Fig 3, and note the arrow connecting items 18 and 34 indicating the flow of funds to plan enrollees.).

It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings Brophy within the method of Wizig with the motivation of overcoming restrictions provided by ERISA laws associated with split-dollar insurance, and decreasing the expense to an insurer associated with individual policies (Brophy: col 2, ln 59 to col 3, ln 14).

B. As per claims 4 and 5, Brophy discloses the method of claim 1 wherein said distributing comprises

paying any funds remaining in said funded Health Care Account or said funded Umbrella Account directly to

(claim 4) a retirement plan for the benefit of the benefit plan enrollee;

and

(claim 5) an Extended Care Account for the benefit of the benefit plan enrollee (for both claims 4 and 5, see Brophy: col 4, lns 16-18, and note the Examiner considers "benefits for retired employees" to be a type of extended care account; see also Fig 3, and note the arrow connecting items 30, 10 and 19 indicating death benefit funds flowing to further employee benefits).

The motivation to combine the teachings of Brophy, Wizig and Deavers is the same as provided above for claim 3 and is incorporated herein.

C. As per claim 8, Brophy discloses the method of claim 1 wherein

said disbursing of funds is to the benefit plan beneficiary (Brophy: Fig 3, and note the funds flow indicated by arrow connecting items 19 and 34.

The motivation to combine the teachings of Brophy, Wizig and Deavers is the same as provided above for claim 3 and is incorporated herein.

D. As per claim 9, Brophy discloses the method of claim 1 wherein said distributing comprises

returning a portion of funds remaining in said Umbrella Account to the benefit plan enrollee (Brophy: col 4, lns 16-18; see also Fig 3, and note the arrow connecting items 18 and 34 indicating the flow of funds to plan enrollees.).

The motivation to combine the teachings of Brophy, Wizig and Deavers is the same as provided above for claim 3 and is incorporated herein.

6. Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig in

view of Deavers as applied to claim 1 above, and further in view of Schoenbaum et al (PG Pub# US 2002/0147617, hereinafter Schoenbaum).

A. As per claim 6, Wizig fails to explicitly disclose the recited claims, however, this feature is well known in the art as evidenced by the teachings of Schoenbaum who discloses the method of claim 1 wherein

    said distributing any funds remaining in said funded Health Care Account or said funded Umbrella Account is actuarially determined (Schoenbaum: [0008]).

    It would have been obvious at the time of the invention to one of ordinary skill in the art to combine the teachings of Schoenbaum with the method of Wizig with the motivation of estimating an amount of funds to allocate to a flexible spending account (FSA), and to exactly match that estimation with a determination of “out of pocket” medical costs so as to acquire the maximum benefit and to avoid leaving any funds in the FSA unused (Schoenbaum: [0007]).

### ***Conclusion***

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The cited but not applied prior art discloses methods of funding (6,401,079; 6,604,080; and 6,609,111) and administering (2002/0049617) benefit plans;

and distributing proceeds of a policy in an advantaged way (5,806,042; 2001/0037275; 2001/0049612; 2002/0052764).

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Martin A. Gottschalk whose telephone number is (571) 272-7030. The examiner can normally be reached on Mon - Fri 8:30 - 5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on (571) 272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



MG  
02/22/2006



C. LUKE GILLEGAN  
PATENT EXAMINER